

June 30, 2010

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re: Special Access Rates for Price Cap Local Exchange Carriers, WC Docket 05-25

AT&T Corp. Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services, RM-10593

Dear Ms. Dortch:

Global Crossing North America, Inc. ("Global Crossing") echoes the concerns raised by other carriers with respect to AT&T's plans to increase dramatically its tariffed rates for special access services as of July 1, 2010, when its obligation to limit those rates as a condition of its merger with BellSouth sunsets. This rate increase—which is unreasonable on its face and will cost special access customers and, ultimately, end-users millions of dollars—underscores the harm inflicted on the industry and the public by the Commission's inability to take decisive action to reform its regulatory framework for special access services.

The Communications Act charges the Commission with ensuring that the RBOCs provide special access services with rates, terms and conditions that are just and reasonable.<sup>3</sup> The Commission has had record evidence of *un*just and *un*reasonable RBOC rates and practices, and has been considering special access reform, for nearly a decade, with no end in sight.

See, e.g., Letter from Karen Reidy, Vice President, Regulatory Affairs, COMPTEL to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 05-25 (Jun. 1, 2010).

See AT&T Inc. and BellSouth Corporation, Memorandum Opinion and Order, 22 FCC Rcd 5662, Appendix F, Special Access Commitment No. 6 (2007).

<sup>&</sup>lt;sup>3</sup> See, e.g., 47 U.S.C. §§ 201-202.

Notably, AT&T itself filed a Petition for Rulemaking claiming that RBOCs "retain pervasive market power in the provision of special access services" in 2002.<sup>4</sup>

In response to that petition, the Commission commenced a rulemaking proceeding,<sup>5</sup> five years later requested that interested parties refresh the record<sup>6</sup> and last November, more than two years after that, requested comments on the analytical framework it should apply to address special access issues.<sup>7</sup> Throughout this time, numerous parties—including RBOCs, competitive carriers, wireless carriers, public interest groups and others—have participated actively and met repeatedly with Commission staff. Indeed, as of June 22, 2010, ECFS reflects that there have already been more than 250 submissions in RM-10593 and more than 650 submissions in Docket 05-25—including reams of data from a wide range of market participants. And these have not been the only proceedings implicating special access issues.

To be sure, the Commission has announced its intention to "hold a staff workshop in late Q2 or early Q3 2010 to discuss the analytical framework the FCC should use to assess the effectiveness of its existing special access rules" and "[i]n late Q3 or early Q4 2010, [to] propose a framework for assessing the effectiveness of the existing special access rules and identify any associated data collection requirements." But given both the massive volume of data already in the record—much of which was submitted in the last two years—and the impossibility that any of the positions or data will change radically as a result of any workshop or any analytical framework the Commission might choose, it is high time for the Commission to act without further delay.

The expiration of the AT&T merger condition only underscores the need for the Commission to take decisive action *now*—not a year or five years from now—in order to correct the severe competitive imbalances in special access markets. More than ever, time is of the essence.

See AT&T Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services, RM No. 10593 (filed Oct. 15, 2002). Subsequently, AT&T became an RBOC itself—and consequently now benefits from such "pervasive market power."

Public Notice: Wireline Competition Bureau Seeks Comment on AT&T's Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier rates for Interstate Special Access Services, RM-10593 (rel. Oct. 29, 2002).

Public Notice: Parties Asked to Refresh Record in the Special Access Notice of Proposed Rulemaking, WC Docket No. 05-25, RM-10593 (rel. Jul. 9, 2007).

Public Notice: Parties Asked to Comment on Analytical Framework Necessary to Resolve Issues in the Special Access NPRM, WC Docket No. 05-25, RM-10593 (rel. Nov. 5, 2009).

National Broadband Plan Broadband Action Agenda, at 5-6 (2010), available at http://www.broadband.gov/plan/broadband-action-agenda.html

Please contact the undersigned should you have any questions.

Sincerely,

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